Analysis of Financial Performance at Village-Owned Enterprises (BUMDES) X in Pangandaran for the 2018-2020 Period

[1] **Ratna Meisa Dai** , [2] **Nurul Mardhiah Sitio** , [3] **Ahmad Nur Fauzi** ,
[1-3] Administrasi Bisnis K.Pangandaran Unpad
E-mail :[1] *Ratna.meisa.dai@unpad.ac.id* , [2] *nurul.m.sitio@unpad.ac.id* , [3] *ahmadfauzi@gmail.com*

Correspondent email: nurul.m.sitio@unpad.ac.id

Abstract. *This research aims to determine the Financial Performance of the BUMDes in Pangandaran Regency in the period 2018-2020. The data used in this research is secondary data sourced from the financial statements of BUMDes. Analysis of the data in this research using financial ratios to provide an overview of the financial condition of BUMDes. The results showed that the financial performance of the BUMDes for the 2018-2020 period in terms of the liquidity aspect showed very good and liquid results with an average ratio of 484%. The debt ratio shows very good results with an average ratio of 8%. NPM BUMDes showed very good results with an average ratio of 40%. Asset turnover gave poor results with an average of 0.8 times. Then cash turnover shows a decline every year with an average turnover of 2.43 times.*

Keywords: *Financial Performace, Finansial Rasio, BUMDes*

INTRODUCTION

Villages are one of the small units of a country, even so villages have an important role in realizing national development because of their close existence to the community. According to the Minister of Villages, Disadvantaged Regions and Transmigration (Mendes PDTT) in 2019, in the last five years, per capita income in villages has increased by 50% from economic activities that occur in the village, if this continues then in the next 7 years, villages will be able to contribute more to Indonesia's GDP than the current GDP (Kurnia, 2019). Therefore, village development is now one of the targets that the government wants to achieve in order to create village independence in every region of Indonesia. In order to realize this, the village plans various programs to create village independence, one of which is by establishing an institution that can optimize village potential to the fullest, namely through the establishment of Village-Owned Enterprises (BUMDes).

Although BUMDes receives funding assistance from the Village Government, BUMDes itself is still a business entity that is not much different from other business entities that do not rule out the possibility of experiencing financial difficulties due to poor management so that they are unable to finance operational activities and are unable to achieve effectiveness in using their resources. Based on Figure 1.1, it can be seen that the number of BUMDes in Indonesia until 2021 reached 57,273 with 45,233 active BUMDes and 12,040 inactive BUMDes. The data shows that there are 21% of all BUMDes in Indonesia that are still inactive and there are 79% of BUMDes that have been running and providing benefits to the village.

Finance is one of the important elements that influence the running of a business. Finance plays an important role in funding and is also the purpose of establishing the business entity itself, namely obtaining profits from the business activities carried out. On the other hand, the success of a business entity in maintaining its business also depends on how financial management is carried out. Financial management is needed so that all business activities can produce effective and efficient performance.

Although BUMDes receives funding assistance from the Village Government, BUMDes itself is still a business entity that is not much different from other business entities that do not rule out the possibility of experiencing financial difficulties due to poor management so that they are unable to finance operational activities and are unable to achieve effectiveness in using their resources. Based on Figure 1.1, it can be seen that the number of BUMDes in Indonesia until 2021 reached 57,273 with 45,233 active BUMDes and 12,040 inactive BUMDes. The data shows that there are 21% of all BUMDes in Indonesia that are still inactive and there are 79% of BUMDes that have been running and providing benefits to the village.

Finance is one of the important elements that influence the running of a business. Finance plays an important role in funding and is also the purpose of establishing the business entity itself, namely obtaining profits from the business activities carried out. On the other hand, the success of a business entity in maintaining its business also depends on how financial management is carried out. Financial management is needed so that all business activities can produce effective and efficient performance.

To realize this, business entities need to take the right steps and decisions, therefore a clear and accurate financial information is needed that can provide an overview of the overall financial condition so that decisions that will be taken can have an impact on business progress. Information on financial conditions is the result of activities carried out by business entities in a certain period which shows the efficiency and effectiveness of business entities in utilizing existing resources to generate profits which are then conveyed through financial reports, in other words, the financial statements are prepared based on the results of the company's financial performance.

It is known that the capital owned by BUMDes X in 2018-2020 experienced fluctuations. Where in 2019 there was a slight decrease of 1.2% from 2018. And in 2020 there was an increase from the previous year of 27% from the previous year. The increase in capital obtained by BUMDes every year is a very good thing because the increase can be utilized by

BUMDes to finance operational activities or expand capacity that can increase the ability of BUMDes to generate profits.

Thus, based on the explanation above, it can be seen that during 2018-2020 the value of assets owned by BUMDes has increased from year to year, while the value of capital owned by BUMDes has fluctuated where there was a slight decrease in 2019 and increased in 2020. On the other hand, the gross profit generated by BUMDes in 2018-2020 experienced fluctuations where there was a fairly good increase in 2019, but a significant decrease in 2020. Meanwhile, in terms of liabilities during 2018-2020, there were also fluctuations where there was an increase in liabilities in 2019 and a decrease in 2020. These data do show an overview of the condition of BUMDes in general, but do not yet illustrate the overall financial performance of BUMDes. Therefore, further financial performance analysis is needed to determine the financial condition of BUMDes in more depth and help identify which aspects of BUMDes need to be improved using financial ratio.

Financial ratios are an analytical tool that is done by comparing some of the data in the financial statements. These results are then used to assess and evaluate the company's performance whether it has reached the predetermined target. So that it becomes an information that is considered by the manager to be used in the policy-making process.

LITERATURE REVIEW

According to Hery (2018: 25), financial performance is a formal effort carried out with the aim of evaluating the efficiency and effectiveness of the company in generating profits and a certain cash position and showing the prospects for the company's financial growth and development of existing resources. Financial performance analysis is a process of critically examining financial performance which includes reviewing financial data, calculating, measuring, interpreting, and providing solutions to the company's financial problems during a certain period (Hery, 2018: 25).

Performance appraisal is one of the benchmarks or measures of management success in carrying out its policies. Based on the resulting performance, it can be used as an evaluation of what needs to be done in the future so that its performance can be improved or maintained in accordance with the company's target (Kasmir (2019: 96). According to Hutabarat (2020: 3) performance is the result of an evaluation of the work that has been done and then compared with the standards that have been set. Financial performance is carried out to see the extent to which the company implements financial rules properly and correctly that meet existing standards and regulations (Fahmi, 2017: 142).

RESEARCH METHOD(S)

The financial ratio technique is used to analyze financial performance consisting of current ratio, debt ratio, npm, asset turnover, cash turnover. While horizontal analysis is carried out by comparing financial performance over several periods obtained from the results of analysis on the same business entity but at different time periods. So it can be said that researchers use financial ratio analysis by comparing financial performance between several periods in the same business entity.

In conducting financial ratio analysis, the formulas and assessment standards that researchers use are as follows:

1. **Current Ratio**

$$\text{Current Ratio} = \frac{\text{Current Asset}}{\text{Current Liability}}$$

The greater the ratio between current assets and current debt, the greater the ability of the business entity to meet its short-term obligations. Conversely, the smaller the ratio between current assets and current debt indicates that the smaller the ability of the business entity to meet its short-term obligations.

2. **Liability Ratio**

$$\text{Liability Ratio} = \frac{\text{total debt}}{\text{total asset}}$$

The higher the value of this ratio indicates that the smaller the assets of the business entity that can be used as collateral for debt or indicates that the greater the business entity is financed from debt. Conversely, the lower the value of this ratio indicates that the greater the assets that can be used as debt collateral.

3. **Net Profit Margin**

$$\text{Net Profit Margin} = \frac{\text{Net Profit}}{\text{Sales}}$$

The higher the value of this ratio indicates that the higher the net profit generated from sales. Conversely, the lower the value of this ratio indicates that the smaller the net profit earned from net sales.

4. **Asset turnover ratio**

$$\text{Asset turnover ratio} = \frac{\text{Sales}}{\text{total asset}}$$

The greater the value of this ratio indicates the greater the contribution made by total assets in generating sales, on the other hand, the smaller the value of this ratio indicates the smaller the contribution of total assets owned in generating sales, meaning that the total assets available have not been maximally utilized in obtaining sales.

5. Cash Flow

$$\text{Cash Flow} = \frac{\text{Sales}}{\text{Cash}}$$

The higher the value of this ratio indicates that the higher the outflow of cash that occurs so that the business entity can fulfill all bills before they are due or in other words indicates the higher the cash turnover that occurs in revenue generation. Conversely, the lower the value of this ratio indicates the smaller the outflow of cash and indicates the smaller the availability of cash available or in other words the lower the cash turnover that occurs in revenue generation.

FINDINGS AND DUSCUSSION

The financial development of X Village-Owned Enterprises during the 2018-2020 period in terms of current assets owned experienced fluctuations where in 2019 it increased by 86% and decreased by 12% in 2020, as well as in fixed assets experiencing fluctuations with a decrease of 28% in 2019 and an increase of 45% in 2020. In terms of total assets, it experienced an increase of 0.4% in 2019 and 18% in 2020.

Furthermore, in terms of total debt owned by BUMDes experienced fluctuations with an increase of 15% in 2019 and a decrease of 51% in 2020. Then in terms of capital owned again experienced fluctuations with a decrease of 1% in 2019 and an increase of 27% in 2020. Furthermore, in terms of sales, it fluctuated with an increase in 2019 of 15% and a decrease of 59% in 2020. Then in terms of net profit earned, it has decreased every year by 0.05% in 2019 and 81% in 2020.

Cash turnover or can be referred to as the ratio of sales to cash is a ratio that measures how much cash rotates in one period through sales. Cash itself is one of the most liquid assets that can be used to finance the operational activities of a business entity as well as to fulfill its liabilities.

Cash Flow : $\dfrac{Sales}{Cash}$

2018 : $\dfrac{238.825.513}{62.912.316}$

: 3.80

2019 : $\dfrac{274.632.545}{116.842.427}$

: 2.35

2020 : $\dfrac{112.374.010}{99.316.071}$

: 1.13

Ratio Average : $\dfrac{3.80 + 2.35 + 1.13}{3}$

: 2.43

Tabel 1. Cash Turnover Calculation 2018-2020

Year	Sales	Cash	Cash Flow	Increase/Decrease
2018	Rp 238.825.513,-	Rp 62.912.316,-	3.80	-
2019	Rp 274.632.545,-	Rp 116.842.427,-	2.35	-1.45
2020	Rp 112.374.010,-	Rp 99.316.071,-	1.13	-1.22
		Average	2.43	

Based on the calculation results, the cash turnover ratio in 2018 was obtained at 3.80 times obtained through the quotient between sales of Rp238,825,513 and cash of Rp62,912,316. where in that year the largest sales value obtained by BUMDes was obtained from bodyrafting business activities which reached 195 million rupiah and was followed by other businesses such as tourist boats, village kiosks, and other sales....

The cash turnover ratio in 2019 was obtained at 2.35 times which was obtained by dividing between sales of Rp274,632,545 and cash of Rp116,842,427. In that year the cash turnover ratio owned by BUMDes decreased 38% from the previous year. Sales generated in this year increased by 15% with the largest sales obtained from bodyrafting activities. On the other hand, there is also an increase in terms of cash owned by BUMDes, although this year the value of sales and cash has increased in number, but this results in a smaller cash turnover value than the previous year.

The cash turnover ratio in 2020 was obtained at 1.13 times which was obtained by dividing between sales of Rp112,374,010 and cash of Rp99,316,071. In that year the debt ratio owned by BUMDes decreased again by 52% from the previous year. In this year the value of sales and cash owned by BUMDes both decreased. In terms of sales generated, almost all of them have decreased, such as from bodyrafitng activities, tourist boats and village kiosks.

CONCLUSION AND RECOMMENDATION

Based on the results of research that has been conducted on Village-Owned Enterprises (BUMDes) X with current ratio, debt ratio, npm, asset turnover ratio, and cash turnover ratio, it can be concluded that the financial performance of BUMDes during the 2018-2020 period from the aspect of current ratio shows liquid and very good results with an average ratio of 484%. The debt ratio shows very good results with an average ratio of 8% which shows that BUMDes can fulfill all its obligations. The NPM of BUMDes shows excellent results with an average ratio of 40%. Asset turnover provides unfavorable results with an average of 0.8 times which indicates the BUMDes has not been effective in managing its assets to generate sales. Cash turnover shows a decrease with an average turnover of 2.43 times which indicates that BUMDes has not been effective in managing its cash funds.

REFERENCES

Astuti., Sembiring, L. D., Supitriyani., Azwar, K., & Susanti, E. (2021). *Analisis Laporan Keuangan.* Bandung: Media Sains Indonesia.

Dewi. N. L. S., Diatmika. I. P. G. (2020). Pengaruh Perputaran Modal kerja, Perputaran Kas, Perputaran Persediaan dan Perputaran Total Aset Terhadap Tingkat Profitabilitas Badan Usaha Milik Desa untuk Meningkatkan Pendapatan Asli Desa Tahun 2019-2020 (Studi pada Badan Usaha Milik Desa se-Kabupaten Buleleng). *Jurnal Akuntansi Profesi,* 12(2), 376-387.

Fahmi, I. (2017). *Analisis Kinerja Keuangan.* Bandung: Alfabeta.

Fanny, L., Merry, A., & Sinaga, I. (2022). Analisis Kinerja Keuangan BUMDes Terhadap Kesejahteraan Masyarakat Pada Masa Pandemi. *Jurnal Akuntansi Kompetif*, *5*(1), 9–15.

Hery. (2018). *Analisis Laporan Keuangan, Integrated and Comprehensive Edition*. Jakarta: PT Grasindo.

Hutabarat, F. (2020). *Analisis Kinerja Keuangan Perusahaan.* Banten: Desanta Muliavisitama.

Kasmir. (2019). *Analisis Laporan Keuangan*. Edisi Kesebelas. Depok: PT Raja Grafindo Persada.

Kurnia, T. (2019). *Kontribusi Desa ke Ekonomi Nasional Bisa Capai Rp 19.912 Triliun dalam 7 Tahun.* Liputan6.com. https://www.liputan6.com/bisnis/read/3932426/kontribusi-desa-ke-ekonomi-nasional-bisa-capai-rp-19912-triliun-dalam-7-tahun.

Lestari, N, A., Pusparini, H., & Bayu, A. (2022). Analisis Kinerja Keuangan Unit Usaha Pemdes Pada Bumdes Bina Sejahtera Kembang Kerang Kabupaten Lombok Timur. *Jurnal Ekonomi dan Bisnis*, 1(2), 65-84.

Pebriyanti, N. Wayan Sri, Kurniawan, P. Kusuma, & Sujana, E. (2017). Analisis Perbandingan Rasio-Rasio Keuangan Badan Usaha Milik Desa (Studi Kasus Pada Bumdes Di Kabupaten Klungkung). *E-Jurnal S1 Ak Universitas Pendidikan Ganesha*, 8(2).

Peraturan Menteri Desa Pembangunan Daerah Tertinggal dan Transmigrasi Republik Indonesia Nomor 4 Tahun 2015 Tentang Pendirian, Pengurusan, Pengelolaan, dan Pembubaran Badan Usaha Milik Desa.

Pohan, S. (2017). Analisis Laporan Keuangan untuk Mengukur Kinerja Keuangan Pada Perusahaan yang Go Public di Bursa Efek Indonesia. *Jurnal Mantik Penusa,* 1(1), 7-11.

Putra. I. N. N. A., Manan. A., Martiningsih. S. P. (2019). *Mengukur Kinerja BUMDesa.* BALILATFO-KDPDTT

Rukin, S. P. (2019). *Metodologi Penelitian Kualitatif*. Takalar: Yayasan Ahmar Cendekia Indonesia.

Rustiani, M. E., & Wiyani, N. T. (2017). Rasio Keuangan sebagai indikator untuk mengukur kinerja keuangan perusahaan semen. *Akuntansi*, *17*(2), 125–138. https://core.ac.uk/download/pdf/326446408.pdf

Sairo, J., Kapioru, C., & Sinu, I. (2021). Kinerja Manajemen Keuangan Pada Badan Usaha Milik Desa (Bumdes) Nekbaun Di Desa Baumata Timur Kecamatan Taebenu Kabupaten Kupang. *Buletin Ilmiah IMPAS*, *22*(2), 129–141.

Sugiyono. (2017). *Metode Penelitian Kualitatif Kuantitatif dan R&D.* Bandung: Alfabeta.

Syam, M. A., Suratno, & Djaddang, S. (2020). Literasi Tatakelola Bumdes (Badan Usaha Milik Desa). *Capacitarea : Jurnal Pengabdian Kepada Masyarakat Universitas Pancasila*, *1*(2), 67–79.

Wardani, N., Djaja, S., & Kartini, T. (2019). Analisis Rasio Keuangan Untuk Menilai Kinerja Keuangan Pada Primer Koperasi Darma Putra Uddhata Jember Periode 2015-2017. *JURNAL PENDIDIKAN EKONOMI: Jurnal Ilmiah Ilmu Pendidikan, Ilmu Ekonomi Dan Ilmu Sosial*, *13*(1), 30. https://doi.org/10.19184/jpe.v13i1.10417 .

Waseso, R. (2021). *Sebanyak 35% BUMDes di Indonesia terdampak pandemi Covid-19*. Kontan.co.id. https://nasional.kontan.co.id/news/sebanyak-35-bumdes-di-indonesia-terdampak-pandemi-covid-19